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AN AGENDA FOR DEVELOPMENT

Letter dated 29 June 1994 from the Chargé d'affaires a.i. of the Permanent Mission of Yugoslavia to the United Nations addressed to the Secretary-General

I have the honour to transmit, enclosed herewith, the statement of the position of the Government of the Federal Republic of Yugoslavia on the report of the Secretary-General on an agenda for development (A/48/935) (see annex).

I should be grateful if the present letter and its annex could be circulated as an official document of the Economic and Social Council under agenda item 2 entitled "An agenda for development".

(Signed) Dragomir DJOKIC
Ambassador
Chargé d'affaires a.i.

Annex

STATEMENT OF THE GOVERNMENT OF THE FEDERAL REPUBLIC OF YUGOSLAVIA ON ITS POSITION CONCERNING AN AGENDA FOR DEVELOPMENT

(High-level segment of the Economic and Social Council, 27-29 June 1994)

1. The Government of the Federal Republic of Yugoslavia welcomes the report of the Secretary-General entitled "An agenda for development" (A/48/935) and views it as an important step in formulating the platform for the activities of the international community in overcoming the major problem at the threshold of the twenty-first century - the problem of poverty and underdevelopment of a large portion of mankind and the further widening of the gap between the developed and underdeveloped countries as a most serious threat to world peace and security. Well-formulated and well-focused conclusions and recommendations of the agenda for development, with additional elaboration and concretization in the process of deliberations and adoption, may serve as a solid basis for efficient engagement in resolving development problems through the mechanisms, instruments and activities of the international community and the United Nations as its universal and irreplaceable forum.

Economic growth is rightfully seen as an engine of development as a whole and should be accorded priority in the new development vision. Its satisfactory realization implies, inter alia, the parallel existence of development-oriented and market-based economic policies as well as a favourable international economic climate as a given category in the development of national economies. The overriding cause of development problems and hardships in developing countries is precisely the unfavourable external economic environment (barriers to market access, unfavourable terms of trade, debts and their servicing, unsatisfactory financial flows, restrictive access to technologies and other well-known impediments to development). Consequently, the Government of the Federal Republic of Yugoslavia supports the conclusions and recommendations of the agenda that accord a greater role to the United Nations system and multilateral cooperation in this area in order to ensure an adequate international economic climate.

The high level of interrelationships with respect to economic growth at the global level is a well-known category - successful and stable growth of developed economies affects favourably the growth and development of the underdeveloped ones and vice versa. Proceeding from that premise, as well as from positive experiences in the wake of the disappearance of global confrontations at the political level, it is necessary that the agenda's adoption mark an end of all forms of confrontation of the developed and the underdeveloped countries in the interests of consultations, coordination, cooperation and assistance. In such conditions, the cooperation between the developed and the developing countries would be mutually useful and necessary as an instrument of world development as a whole, while the efficiency of the engagement of the United Nations system in the field of development would increase substantially.

2. While the Government of the Federal Republic of Yugoslavia essentially supports the conclusions and assessments of the agenda for development, particularly the comprehensive and analytic method highlighting the crucial preconditions of development such as peace, economy, environment, the social dimension and democracy, it would like to point to some issues that have not been adequately addressed in the agenda, though they represent important factors of development.

Within the framework of the thoroughly elaborated five major conditions, that is, the dimensions of development and the successful presentation of their causal interaction and interlinkage, in order to be comprehensive, the agenda for development would have to contain an analysis of an acute problem faced regrettably by a number of developing countries only, namely the sanctions imposed by the Security Council on individual countries in order to achieve vaguely defined goals. The relation between sanctions and development has therefore to find its place in such a report, and should not just be mentioned indirectly in a totally different context without adequate elaboration (para. 143). Crippling effects of the sanctions on development, viewed in the broadest sense, in many ways equal those caused by the devastation of war. Therefore, it would seem appropriate that a table of countries presented according to their level of development be supplemented by the category of "countries against which sanctions have been applied" along the lines of the "category of countries in conflict" mentioned in paragraph 16 of the agenda.

Uncritical imposition, perpetuation and threat of sanctions are increasingly present as a phenomenon in international relations. There is a realistic danger that the sanctions will become a highly undesirable instrument in the process of establishing a new world order, with extremely negative consequences for development, peace, democracy, humanity and other vital goals of the international community in the countries directly affected by the sanctions, as well as in neighbouring and other countries.

The goals whose fulfilment is sought through sanctions and the formal reasons for their imposition are, as a rule, of doubtful character and limited by the assessments and interests of a narrow circle of influential countries. It is often forgotten, however, that sanctions have never been successful in achieving the goal for which they were allegedly imposed. It is also forgotten that the consequences of the sanctions which affect whole regions return as a boomerang to the international community in terms of the enormous increases in the resources and efforts that need to be invested to alleviate the newly created situations. Humanitarian and social hardships, tensions and threats in the countries hit by the sanctions, require, as a rule, emergency interventions that necessarily come at the expense of engagement and assistance where development problems and poverty are historically conditioned.

As a country that suffers from unjust sanctions that have been kept in place without any justification, the Federal Republic of Yugoslavia can provide telling examples of the character and scope of the devastating effects of sanctions on development. Industrial output in 1993 fell to two fifths, as compared with that of the previous period, current expenditures have been halved and investment expenditures fell to one fifth, as compared with those of the period before the sanctions had been imposed (1990). The whole system and

network of the institutions of social welfare, education and environment control have been threatened or ground to a standstill with often tragic consequences (inter alia, mortality rates increased, particularly among children and the elderly). All programmes of scientific, technological and technical cooperation have been suspended and the normal flow of information has been blocked. Average income in 1993 dropped to the levels of 25 years ago and the country's overall development has likewise been reversed. So far, direct losses in the economy and otherwise are estimated at 45 billion dollars, with projections that in the next decade they will total 150 billion dollars. The losses sustained by the neighbouring countries, many of which are transit countries facing substantial development problems themselves, are estimated in the tens of billions of dollars. It is extremely important that the agenda for development provide an answer as to whether and how these cases and the consequences of the sanctions should be incorporated within its spirit and goals.

The Federal Republic of Yugoslavia is convinced that if the agenda for development opted against the sanctions in general, particularly against their uncritical imposition and perpetuation, this would contribute to the document's becoming a true reflection of real conditions and hardships affecting development and would consequently ensure more successful resolution of the development problems in the world.

3. In conditions of lack of satisfactory global coordination of national economic policies and other relevant development objectives that should be reached by long-term activities, the role of regional economic linking and cooperation in development is of extreme importance, as has been set forth in paragraph 146 of the agenda for development.

In addition to the overwhelming contribution to the economies of the countries engaged in such cooperation, it is a fact that other development preconditions as well (peace, understanding, confidence, movement of people etc.) develop more favourably in cases where regional economic integrations exist and function effectively. Quite the contrary is the case where such cooperation and linking are missing or insufficient, as in the Balkan peninsula where the Federal Republic of Yugoslavia is situated.

In view of this, the Government of the Federal Republic of Yugoslavia considers that the agenda for development, in the framework of deliberations of basic dimensions of development, should accord more attention to this issue. In addition to the favourable assessment, greater and more direct support should be given to the promotion of the activities of existing and regional economic groups and to the setting up of new ones. In that context, it is important that the international community solicit assistance and support for development through regional economic groups and projects at that level, but not at the expense of direct assistance to countries that have not been included in such cooperation for subjective reasons.

4. In the end, reaffirming its unreserved commitment towards the United Nations system, which by presenting and adopting the agenda for development becomes an ever more universal forum of the international community, and its irreplaceable role at the international level, the Government of the Federal Republic of Yugoslavia expresses its belief that the entire engagement of the

United Nations in resolving development problems needs to be more assured of more transparency and efficiency, with full respect for the goals and principles of the Charter of the United Nations and all the characteristics of the position and activities of the United Nations as set forth in paragraph 14 of the agenda.